

Memorandum

TO: Governor's Task Force on Energy Efficiency and Renewables -
Renewables Workgroup and Stakeholders

FROM: Don Reck, co-chair
Michael Vickerman, co-chair

DATE: June 9, 2004

RE: Outcomes from 6-8-04 Meeting

Task Force Members Present:

Rep. Spencer Black
Charlie Higley, CUB
Don Reck, Xcel
Keith Reopelle, SELP
Michael Vickerman, RENEW

Staff Present:

Paul Helgeson, PSC

Stakeholders Present:

Jeff Anthony, WE Energies
Dave Blecker, Seventh Generation
Cathy Boies, CFC
Steve Bohlman, Alliant
Greg Bollom, MGE
Chris Deisinger, RENEW
David Donovan, Xcel
Phyllis Dube, WE Energies
Jennifer Giegerich, WISPIRG
Dave Hansen, DATCP
Jeff Rauh, ATC
Ilze Rukis, WPS
Susan Stratton, ECW
Todd Stuart, Sen. Cowles' Office
Phil Uekert, WPS

The next Renewables Workgroup meeting is scheduled for June 30th from 9 a.m.-noon at Xcel (10 East Doty Street, Suite 511, Madison).

Meeting Outcomes

- Workgroup discussed the status of the model wind ordinance, agreeing that the ordinance is a model for local units of government to adapt as needed. Ordinance is ready for public use and will be presented to the Towns Association, County Association and the East Central Regional Planning Commission. Workgroup agreed to review ordinance and consider recommending it to the full Task Force.

- Workgroup made further refinements to utility data used to establish the baseline for renewable energy use statewide. Group agreed to use a three-year average for hydro facilities (2001-2003) as output varies by annual rainfall amounts and to recalculate Xcel's data using the 15%/85% load sharing ratio for renewable energy. These changes will likely result in a lower baseline than originally assumed.
- Workgroup discussed proposed language for implementation delays, agreeing that transmission availability, economics, and local permitting issues must all be included. RENEW offered a recent order from the Minnesota Public Utilities Commission as a model for good faith compliance criteria.
- Susan Stratton discussed the ECW potential study underway. Study is to cover gas as well as electricity and include customer-side renewables. Industrial site systems may also be added. The study will be a market centered approach rather than an end-use approach and should take 6-9 months. A scope and budget are in the process of being developed.
- Workgroup reviewed the "Status of Discussions Memo", clarifying current purchases of renewable energy from hydro facilities that are greater than 60 MW. Representatives of Task Force members stated their organization's preference for a new standard percentage. Rep. Black offered a compromise standard of 5% incremental growth for each utility, ending at a later date that would fulfill the renewable requirement under the Energy Priorities Statute.

Action Items

- Paul Helgeson to circulate model wind ordinance and corresponding statute to workgroup
- Each utility to recalculate hydro output using a three-year average (2001-2003) and forward data to Jeff Anthony to recalculate graphs
- Michael Vickerman and Don Reck to develop language for implementation delays